OCTOBER 3, 1966

INDIA'S NEW FIVE-YEAR PLAN FOCUSES ON AGRICULTURE

YUGOSLAV POLICY AIMS AT COLLECTIVIZATION

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FOREIGN AGRICULTURE

Including FOREIGN CROPS AND MARKETS

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FOREIGN AGRICULTURE

Including FOREIGN CROPS AND MARKETS

OCTOBER 3, 1966

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Imported chemical fertilizer is unloaded at Indian port of Visakhapatnam. Use of fertilizer must be greatly expanded if India is to meet goals of its Fourth Five-Year Plan (see article on opposite page).

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Mechanical stitching of bagged U.S. wheat, after unloading at Calcutta.

India's Fourth Five-Year Plan Focuses on Agriculture

By JAMES H. BOULWARE
U.S. Agricultural Attaché, New Dehli

Agriculture, population control, and supporting industries are to receive top priority in India through the turn of the decade, according to the draft outline of that nation's Fourth Five-Year Plan.

The Planning Commission, chaired by Prime Minister Indira Gandhi, submitted the draft to Parliament and State Legislatures on August 31. After consideration by these bodies and "eliciting the views of all sections of the public opinion," the plan will go back to Parliament, for action during the winter session (which begins in early November). Major changes are not anticipated.

Preparation of the draft was delayed almost a year by hostilities during late 1965 and the resultant economic and political uncertainties. However, the plan is still dated April 1966-March 1971.

One of a series

The fourth plan is one of five 5-year plans initiated in 1951 by the Government of India with the objective of "raising living standards and opening up to the people new opportunities for a richer and more varied life." A specific goal was to double per capita income by 1977, or in one generation.

The First Five-Year Plan, beginning in 1951, was intended to rehabilitate the economy from "the ravages of war, famine, and partition and to formulate policies to help economic development."

The second plan sought to carry this process further and to develop industry. It explicitly accepted "a socialistic pattern of society as a national objective."

The third plan was conceived as "the first stage of a decade or more of intensive development leading to a self-reliant and self-generating economy."

The current, or fourth, plan keeps eight principal objectives in view; these are—

- To become self-reliant as soon as possible;
- To stabilize prices;
- To make all possible efforts to maximize agricultural production and thereby enlarge incomes of the rural population;
- To greatly expand production of fertilizer and other inputs so that the third objective might be realized (these industries are to take priority over all other industries during the plan);
- To increase the supply of essential mass-consumption items, such as textiles, sugar, and kerosene;
- To insure continued growth in transport and heavy industry so that basic needs of the country during the fifth plan period will be met;
- To limit population growth;
- To develop human resources.

A self-reliant economy by the end of the Fifth Plan (1976) continues to be the major long-term goal.

Need recognized before drought

India's increasing dependence on concessional imports of food—especially grains—made it evident even prior to the disastrous 1965 drought that strenuous efforts to increase production of food and to limit population growth were imperative. Steps to increase production had been considered on an emergency basis in past years and announced somewhat piecemeal. These included a "High-Yielding Variety Program," which called for an increased supply of fertilizer, improved seed, water management, pest control, and farmer education. Steps had also been taken to limit population growth through family planning.

The draft outline of the Fourth Five-Year Plan sets out these earlier objectives in specific terms, including the proposed allocation of funds for implementation.

Targets for production of major crops as compared with

actual production in 1964-65 and the "base-level potential" for 1965-66 are as follows:

Commodity	1964-65	1965-66 [1]	1970-71 [2]
	Mil. metric tons	*Mil. metric tons*	*Mil. metric tons*
Foodgrains	89.0	90.0	120.0
Oilseeds	8.3	7.5	10.7
Fibers:	*Mil. bales*	*Mil. bales*	*Mil.bales*
Cotton [3]	[4] 5.4	6.3	8.6
Jute	6.0	6.2	9.0
Mesta (kenaf)	1.6	1.8	2.0

[1] Base-level potential. [2] Estimated. [3] 180-kg. bales. [4] Official estimate—probably some 10 percent below actual production.

The Planning Commission quite logically did not use 1965-66 production as a base, since this was drastically curtailed by probably the most serious drought of the century. Nevertheless, there appears to be some question of the "base-level potential." These figures are above the trend line and apparently reflect dominantly the 1964-65 production, which had the benefit of growing conditions as highly favorable as those of the following year were unfavorable.

Regardless of the base, the plan targets are about 50 percent above the average of the past 5 years. They are highly ambitious. To even approach this level of production will tax the ingenuity of the Indian farmers, their advisers, and those who must supply necessary inputs.

Because only limited acreage is available for development, the greatest emphasis must be placed on raising the yield per acre. To do this, improved practices and additional inputs are essential. Targets for these inputs for the fourth plan and actual achievements for the third plan are shown in the following table:

PROGRAM TARGETS OF INDIA'S FOURTH PLAN

Program	Third plan		Fourth plan target
	Target	Achievement	
	Mil. acres	*Mil. acres*	*Mil. acres*
Irrigation utilization: [1]			
Major, medium projects	12.80	5.50	9.00
Minor projects	12.80	13.10	[2] 17.00
Soil conservation [2]	11.80	9.80	20.00
Land reclamation [3]	3.60	4.20	2.50
Area under improved seeds:			
High-yielding varieties			32.50
Other varieties	204.00	120.00	241.50
Plant protection	50.00	41.00	137.00
Green manuring and organic manures:			
Green manuring	41.00	21.50	64.00
	Mil. m.t.	*Mil. m.t.*	*Mil. m.t.*
Urban compost	5.10	3.40	5.40
Chemical fertilizers:			
Nitrogenous [4]	1.02	.60	2.00
Phosphatic [5]	.41	.15	1.00
Potassic [6]	.20	.09	.35

[1] Additional gross area. [2] Includes 12 million acres of newly irrigated land besides the area benefited by drainage, flood control, etc. [3] Additional area. [4] Tons of nitrogen. [5] Tons of phosphate. [6] Tons of potassium.

Although there are some who demur, the vast majority of Indians and foreign advisers believe that fertilizer is the keystone of the program to increase production. High-yielding varieties are almost worthless without it, and the 32.5-million-acre High-Yielding Variety Program is counted upon to produce most of the 30 million additional tons of grain needed.

Farmers are learning. Pesticides are inexpensive relative to fertilizers, and irrigation programs are moving. Efforts are also being made to greatly expand fertilizer use; however, some decisions here have been disappointing.

In 1965, a committee chaired by the Secretary of Agriculture recommended that steps be taken immediately to increase the supply of nitrogen fertilizer from 600,000 tons in that year to 2.4 million in 1970-71. The Department of Agriculture was able at that time to secure government acquiescence to the plan. Provisions were made for a supply of 1 million tons of nitrogen in 1966-67 and for increases in succeeding years so that the 2.4-million-ton goal might be reached by 1970-71.

The Planning Commission, however, has reduced this target from 2.4 million tons to 2 million—with all of the reduction to occur in the final year of the plan. Thus, the total manufacturing capacity in 1970-71 would be 2.4 million tons, but actual production would remain at the previous year's level of 2.0 million. Of this capacity, the public sector is expected to provide 1.6 million tons.

Progress toward achievement of these fertilizer-production targets has not been encouraging. Private capital has not yet been attracted in sufficient volume, despite liberalizations announced nearly a year ago, and past experience would indicate little hope of the public sector's plants meeting the target. Thus, it appears that continued and larger fertilizer imports will be needed if there is to be any prospect of meeting the agricultural goals.

Time running out

And meeting the target is imperative. India now has 500 million people. For that population, in recent years, it has had a gross availability of foodgrain and pulses of about 90 million tons, including imports of about 8 million tons per year. This has provided a gross supply of 180 kilograms per capita.

During the next 5 years, population is expected to increase by at least 60 million people, to 560 million. Family planning probably will have limited effect in this period.

To supply the additional food at even the present low nutritive level will require 11 million more tons of grain. Thus, if imports are to be eliminated, an additional 19 million tons will be needed merely to maintain the diet. With rising incomes, demand per capita may be expected to increase. If food to meet this demand is not available, inflationary prices are inevitable.

From the point of view of population and need, the 120-million-ton target is realistic. With supplies of grain available for import limited for the near future, it is important that production be moved rapidly toward that target. Provision of inputs planned for agriculture should make it possible to meet needs at current minimal levels, if not to increase consumption.

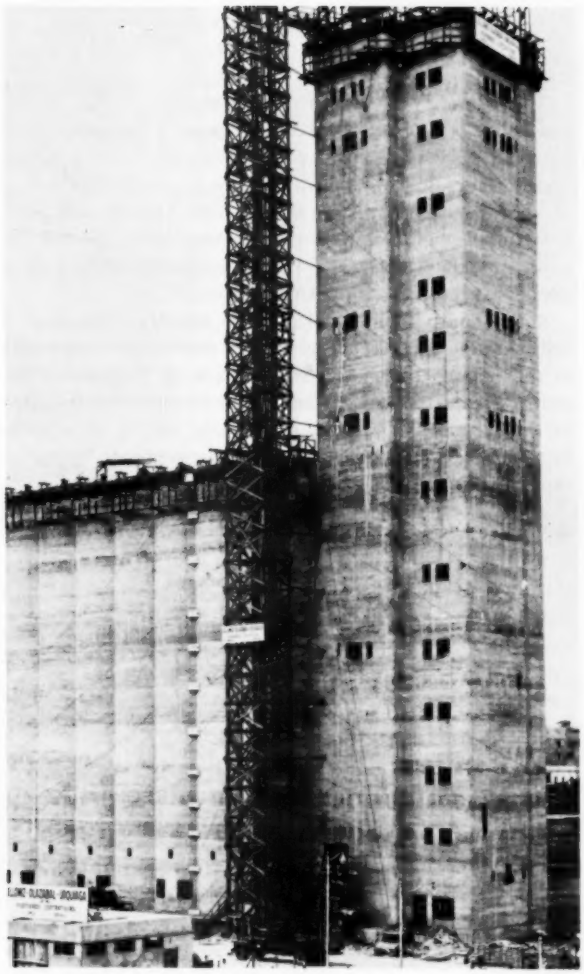
There will, of course, be problems—some have already occurred—as India's farmers adapt themselves to new conditions. But progress in farmer education over the past 10 years indicates that the ingenious Indian cultivator fully appreciates an opportunity for profit. Given this, he will change and change rapidly. The major question now is, can industry, now largely a public sector of government enterprise, supply the farmer the materials he needs.

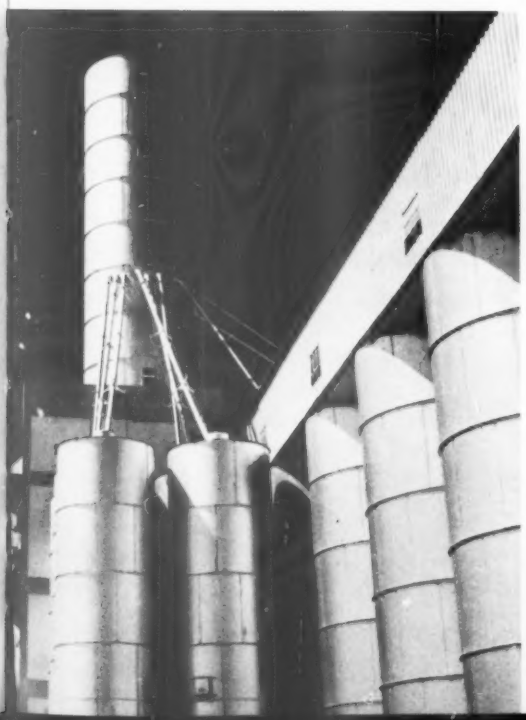
World Bank Loans Help Store Grain

Ever since the days of Egypt's Pharaohs, man has sought to save food from good harvest years for use in lean or famine years. Likewise today, the less developed nations of the world are seeking ways to store large quantities of available grains and feed for use over an extended period of time.

About $30 million in loans, credits, and investments from the World Bank group, which includes the International Finance Corporation and the International Development Association, have helped construct needed storage silos, grain elevators, and grain handling equipment.

The grain storage facilities pictured on this page are some of those the World Bank has helped build. In them, modern driers keep grain at proper moisture levels, and airtight bins help fumigation against insects and rodents. The grain is cooled by either a pneumatic air-flow system or mechanical means of moving grain around in the buildings. Efficient, quality-controlled methods assure the grain will be useful for food and feed for many years.





Clockwise from above, grain storage plant in Peru under construction; steel grain storage shed in Turkey financed with $3.9-million Bank loan; in Nicaragua, grain storage and drying plant; unloading potatoes for silo in Panama.

Yugoslav Farm Policy Aims at Gradual Collectivization

By CLYDE R. KEATON
U.S. Agricultural Attaché, Belgrade

The Yugoslav Government, in keeping with its rather unorthodox approach to communism, is attempting to socialize agriculture by suppressing private farming rather than forbidding it. Means to this end is a careful balancing of controls and inputs so that private farmers will have some inducement to increase yields but not to expand the scope of their operations, while their counterparts on state operations receive favored treatment.

Since almost three-fourths of the country's farmland is still privately owned and agriculture itself highly important to the national economy, socialization in Yugoslavia appears destined to be a slow and trying process—complicated by such problems as how to increase output at a satisfactory pace when the largest sector (the private farms) is expected to decline.

Goals rather indefinite

Though there is no official goal for the area to be collectivized, most authorities cite 50 percent of total farmland as the first objective. If additions take the course prescribed under the preliminary 5-year plan, Yugoslavia will be putting only about 86,000 acres, or less than 1 percent, of farmland a year into state-run farms. However, these additions are more likely to come at the 4-percent yearly rate recorded between 1960 and 1964, when state holdings jumped by almost one-sixth to 28 percent of total area (14 percent of arable land).

Helping to insure this gradual collectivization are a number of economic reform measures, enacted in 1965 by the Government of Yugoslavia. These include provisions for higher returns to all farmers, a more or less free market, greater inputs in the socialist sector, and more benefits to private farmers who choose to market through agricultural cooperatives—one of the two types of state agricultural organizations (the other is state farms).

The seeming ambivalence of these measures reflects the government's efforts to improve agriculture as a whole—difficult without some bettering of the private farmers' position—while at the same time making it impossible for private farmers to significantly improve their lot.

Hence, today private farmers in Yugoslavia get about 35 percent more for their crops than before 1965 and a small subsidy for the purchase of fertilizer. They also may sell directly to hospitals, armed forces, large institutions, consumers in the cities, and tourists along the road, whereas formerly their only outlets were farmers' markets and agricultural cooperatives.

But, on the other hand, they continue to be stifled by government restrictions on holdings and by lack of capital inputs. Area is kept at about 110 acres or below, of which only 25 can be plowland. Fertilizer consumption averages a mere 83 pounds per acre compared with the 753 pounds on state farms; and technology on private farms is not much different than that of 50-100 years ago. Work is done mostly by horses and bullocks, since the private farmers own only 5,000 of Yugoslavia's 45,000 tractors, most of which are "hand-me-downs" from state farms.

Difficult to compete

The contrastingly high level of inputs on socialist farms—plus economies of scale and other factors—has resulted in per-acre yields of most crops on state and

Supermarkets, such as this one in Belgrade (both pictures), are starting to catch on in Yugoslavia.

Most products marketed in these up-to-date stores come from the large state farms and cooperatives.

Private farmers in Yugoslavia are now permitted to sell directly to state-run stores. However, they still find the farmers' markets, like this one in Belgrade, the best outlets for their products.

Meat from private farms is sold in the state-run store (above) on the edge of the farmers' market, while some items go to wholesale outlets (below).

cooperative farms that are about double those on private farms. This of course translates over into the marketplace, making it extremely difficult for private farmers to compete on the basis of price alone; furthermore, many of the retail outlets are actually owned by socialist farms. Thus, while private farmers are now allowed to sell almost anywhere, they are often prevented from doing so by the many economic forces working against them.

In this setting it is easy to see how private farmers might be induced to join, or sell through, cooperative farms—which do permit members to retain part of their crops and to work more independently than on state farms.

These cooperatives provide farmers with all or any part of needed seeds, fertilizers, tillage, know-how, and technology, while the farmers supply the labor. Division of the returns varies according to the type of crop or class of livestock. In most cases, farmers are committed to deliver about 75 percent of their production to the cooperative, selling the remaining 25 percent wherever they wish. First returns are used to pay for services rendered by the cooperative; additional receipts go back to the farmers.

Commissions charged for services (permitted by the government) range up to 10 percent, and the cooperatives may pay private farmers less than the support prices—for wheat, around 90 percent of the support. All government support or guaranteed prices are operated through the cooperatives.

System's inherent weaknesses

Built into this type of socialism are several economic problems—one of which is the continued inefficiency of a large proportion of Yugoslavia's agriculture. As of 1964, 72 percent of Yugoslavia's land area was privately owned and 80 percent of the crop privately grown, mainly for home use. Much of this was on extremely small plots of land: There are about 2.6 million farms in Yugoslavia that average about 10 acres in size.

And this is an agriculture that is highly important to the economy as a whole. Currently agriculture supports some 50 percent of all Yugoslavia's population, accounts for nearly 30 percent of the gross national income, and brings in about 35 percent of the foreign exchange earnings.

Some assistance to the private farmers—improved seeds, fertilizers, insecticides, and machinery—would probably result in sharp production gains and help stimulate the farm economy by keeping more young people in agriculture. But such assistance could also upset the government's plans to bring a socialistic agriculture to Yugoslavia.

Left, center of the International Poultry Exhibition, held at the Ukrainian Permanent Exhibition Grounds for Economic Achievements in Kiev, USSR, in conjunction with the 13th World's Poultry Congress. Arched building housed commercial farm exhibits.

U.S. Well Represented at World's Poultry Congress

The 13th World's Poultry Congress, held in Kiev, USSR, this August was the largest and most representative such gathering ever held by the World's Poultry Science Association—with 2,312 registrants from 54 countries, 29 of which sent official delegations.

The International Poultry Exhibition held in Kiev at the same time featured national displays from 10 countries and exhibits of commercial firms from 20 countries. It was sponsored by the USSR Chamber of Commerce and attracted over 600,000 persons during a 2-week run.

Well represented at both events, the United States sent an official 11-man delegation to the congress and a national exhibit featuring the accomplishments and the products of the U. S. poultry industry. U. S. registrants at the congress totaled 180, and some 28 commercial firms sent displays or were represented by their overseas subsidiaries or agents.

At the congress, held every 4 years to deal with scientific and technical progress in poultry production and marketing the world over, U. S. scientists presented 49 papers, the greatest number contributed by any country. In all, researchers from 26 countries presented nearly 200 papers. The subjects treated most extensively were economics and marketing, genetics and breeding, nutrition, physiology, and disease and disease control.

"Both the congress and the exhibition were standout successes," according to Dr. Steven C. King, assistant director of the Animal Husbandry Division of USDA's Agricultural Research Service. "The organizing committee of the congress did a beautiful job."

Well over 300 U. S. people were in Kiev for the events. Many of the congress registrants were accompanied by their wives and children.

In addition to Dr. King, the U. S. delegation included Alternate Delegate David R. Strobel—director of the Dairy and Poultry Division of USDA's Foreign Agricultural Service—Agricultural Attaché to Moscow Brice K. Meeker, and eight leading poultrymen from the government, industry, and State universities.

The U. S. exhibit, prepared by USDA, emphasized the high quality and the reasonable price of poultry products. The packaging and diversity of the products and their relative inexpensiveness apparently were the most interesting aspects of the exhibit for the average Soviet citizen.

Two U. S. poultry scientists who spoke fluent Russian manned the exhibit, contributing greatly to its success. Dr. Igor L. Kosin of Washington State University and Dr. Andrew N. Nalbandov of the University of Illinois talked directly to the hundreds of Soviet technicians and ordinary citizens who crowded the exhibit daily, giving the facts about U. S. achievements in poultry production and answering their many questions about what life is like in the United States.

Other countries that staged national exhibits were Australia, Bulgaria, Canada, Czechoslovakia, France, Hungary, Israel, Poland, and the Soviet Union.

Highlight of the extra events related to the congress and the exhibition was the combined USDA-Industry press conference held on August 16, attended by about 200 members of the press, Soviet dignitaries, and American exhibitors. The conference opened with a full-color USDA film on the U. S. poultry industry, with Dr. Kosin providing film commentary in Russian.

For the remainder of the conference, a panel of five top U. S. poultry experts answered questions from the press. This session lasted for 1½ hours—half an hour longer than originally scheduled—with at least a score of questions remaining to be answered. Practically all questions concerned technical problems of production and marketing and the economic structure of the U. S. poultry industry.

Above, Russian crowds view U. S. exhibit, which featured freezer cases containing poultry items, each labeled with cost to U. S. worker in minutes of labor. Right, panel in Soviet exhibit.

Left, display of one of the 28 U. S. commercial firms represented at the poultry exhibition. Below left, Canada's national exhibit. Below, visitors study pictorial presentation of the development of the U. S. poultry industry—part of the U. S. national exhibit.

Suggestion for economic development

Imports Can Help Build Foreign Poultry Industries

Poultry and eggs can now be produced cheaply and in great quantities, thus giving the world's growing population additional and needed high-quality protein foods.

Poultry breeders have made startling progress in developing strains of birds for meat and egg production that are vastly superior to what they were 50 years ago. Poultry nutritionists have learned to produce meat and eggs with far less feed than formerly. Poultry management practices, involving housing, ventilation, disease control, and other factors of the management complex, are much better. And improvements in marketing are so numerous and so far reaching that the poultry industry has become a real agribusiness with vast potential for increasing the world's food supply.

These facts are well known throughout the world. This has led many countries to develop ambitious plans to increase sharply their poultry and egg production. We in the United States believe this is good. We have sent a number of poultry production and marketing specialists to many countries to help develop plans to increase the supply of meat and eggs. Large numbers of foreign students have come to the United States at our invitation and expense to study our production and marketing methods. And we will continue to help wherever we can.

Yet a number of countries, which are sincere in their desire to increase home production, have been taking actions that tend seriously to negate their best efforts. On the one hand, they spend time and money fostering an increase in poultry and egg output. On the other hand, they do little or nothing to see to it that this increased production moves efficiently and effectively to consumers.

Need marketing improvement, too

It is too little appreciated that a larger supply of chickens, to be marketed each week, requires a larger and more flexible marketing system or organization. An increase of only a few percent in the number of chickens coming to market may require more retailers able and willing to sell them. It may mean new retail outlets must be started outside the areas where the people with higher incomes live and do their shopping. A new class of customers with lower incomes may have to be cultivated for the bigger supply of poultry and eggs.

And sooner or later it will be found impossible to increase retail sales appreciably as long as chickens are sold alive at retail, as they are in some countries. A processing plant must be started. Then the problem of protecting this highly perishable commodity arises to first importance. Poultry will have to be chilled or frozen and kept in this manner until the housewife buys the bird.

These necessary advances and improvements in both production and marketing are inescapable if poultry and egg production is to become an important source of food in any country. Yet, in most countries, the investment that is necessary to provide these new marketing services will not be made until there is sufficient volume of products and demand to justify an admittedly large outlay of money. This is the dilemma facing so many people in so many countries. Production grows slowly because marketing facilities are not geared to handle more products. And expenditures to improve marketing are not made until production expands further.

Imports can break logjam

How, then, to break the logjam? The best way is to supplement domestic production with imported poultry as a means of building consumer demand while poultry producers are busy with the job of expanding their production. In other words, the two parts should be built at the same time!

But in a shortsighted attempt to help their poultrymen a number of countries have raised their import duties so high as to exclude imports. Or they may refuse to issue import permits, or to allocate foreign exchange with which to buy imported supplies. The result is that wholesale and retail facilities expand slowly if at all. Consumers are not encouraged to eat more poultry because the local supply is not large enough and prices are too high. And production hits a ceiling because marketing facilities and consumer desires have not been increased.

The best answer to the problem is to let imported poultry provide the stimulus that leads to improvement of wholesaling and retailing facilities. And let imported poultry help create the consumer demand that is so essential in stimulating local production.

As local production grows, the need for a modern processing plant will become evident, and the success of the plant will be assured because of growing consumer demand. Poultrymen will then know they have an outlet to absorb the greater volume they would like to produce. And thus a new poultry industry is born!

Imported poultry of good quality can be made a useful servant of poultrymen in many countries. It will take some clear thinking and a determination not to be swayed by a few who can think only of their immediate or short-term position, but it can be done. And it has been done in several countries where poultry is now filling a vital role in the national food picture.

This article is the text of a brochure printed in both English and Russian, prepared for distribution at USDA's exhibit at the International Poultry Exhibition held in conjunction with the 13th World's Poultry Congress in Kiev. It was written by C. C. Warren, of the Dairy and Poultry Division, FAS.

German Grain Team Sees U. S. Production Areas

A 3-man German feedgrain team last week completed a 17-day inspection trip of U. S. midwestern and Texas grain-producing areas during the early harvest season for corn and grain sorghum. The U. S. Feed Grains Council and FAS sponsored the trip to acquaint team members—all key persons in the German grain trade—with the ability of U. S. growers to supply Germany with corn, grain sorghum, dehydrated alfalfa, and other feed ingredients.

Seven-Month Report on U.S. Trade in Livestock and Meat

In the first 7 months of 1966, U.S. imports and exports of livestock and meat products continued to be influenced by relatively favorable price trends in the United States compared with those prevailing in Western Europe. In general, imports were up while exports were down from levels recorded during January-July 1965.

U.S. IMPORTS OF SELECTED LIVESTOCK PRODUCTS

Commodity	July		Jan.-July	
	1965	1966	1965	1966
Red meats:				
Beef and veal:				
Fresh & frozen:	*1,000*	*1,000*	*1,000*	*1,000*
Bone-in beef:	*pounds*	*pounds*	*pounds*	*pounds*
Frozen	501	760	2,011	3,522
Fresh and chilled	2,518	1,250	7,968	10,185
Boneless beef	51,020	54,035	283,136	372,047
Cuts (prepared)	186	657	1,481	2,699
Veal	1,331	742	10,101	11,002
Canned beef and beef sausage	7,810	7,638	45,149	45,699
Prepared & preserved	2,176	2,533	12,440	14,248
Total beef and veal	65,542	67,615	362,286	459,402
Pork:				
Fresh and frozen	3,868	3,170	27,350	25,538
Canned:				
Hams and shoulders	14,230	14,317	96,813	122,948
Other	1,655	3,849	14,934	29,621
Cured:				
Hams and shoulders	139	138	924	881
Other	465	318	3,130	2,630
Sausage	164	166	956	1,207
Total pork	20,521	21,958	144,107	182,825
Mutton and goat	3,142	4,574	13,425	41,271
Lamb	1,200	1,210	6,816	11,335
Other sausage	370	479	2,584	3,362
Total red meat	90,775	95,836	529,218	698,195
Variety meats	132	195	1,055	2,370
Wool (clean basis):				
Dutiable	10,758	8,913	93,008	113,536
Duty-free	11,700	12,464	61,249	68,586
Total wool	22,458	21,377	154,257	182,122
	1,000	*1,000*	*1,000*	*1,000*
Hides and skins:	*pieces*	*pieces*	*pieces*	*pieces*
Cattle	14	12	132	151
Calf	21	27	293	161
Kip	61	36	380	265
Buffalo	38	32	352	270
Sheep and lamb	3,580	2,128	21,410	19,144
Goat and kid	820	861	8,580	6,431
Horse	37	19	222	185
Pig	18	97	1,918	1,304
	Number	*Number*	*Number*	*Number*
Live cattle [1]	53,144	28,970	429,588	562,601

[1] Includes cattle for breeding.
U.S. Dept. of Commerce, Bureau of the Census.

Imports of total beef and veal during the month of July—at about 68 million pounds—dropped sharply from the 102-million-pound level of the previous month. For the 7 months, beef and veal imports totaled about 459 million—up 26 percent from the 362 million purchased during January-July of last year. Similarly, pork imports—at 183 million—were 26 percent above the level of the same period last year. Wool imports were 18 percent above January-July 1965, while imports of live cattle and calves (mainly stockers and feeders from Canada and Mexico) at about 563,000 head were 30 percent ahead of last year.

Exports of lard amounted to about 85 million pounds—down 51 percent from the January-July 1965 level. Inedible tallow exports were off 11 percent; beef and veal off 34 percent; and pork off 6 percent. Exports of variety meats totaled about 109 million pounds—12 percent below the first 7 months of last year. Mohair exports—at 5.7 million—were running 20 percent above last year's level, while exports of cattle hides—at about 8 million pieces—were 2 percent larger.

U.S. EXPORTS OF LIVESTOCK PRODUCTS
[Product weight basis]

Commodity	July		Jan.-July	
	1965	1966	1965	1966
	1,000	*1,000*	*1,000*	*1,000*
Animal fats:	*pounds*	*pounds*	*pounds*	*pounds*
Lard	29,332	10,166	172,330	84,799
Tallow and greases:				
Inedible	168,406	168,276	1,282,906	1,145,068
Edible	1,455	1,849	11,643	12,506
Meats:				
Beef and veal	1,816	2,058	26,100	17,405
Pork	2,601	2,832	26,356	24,924
Lamb and mutton	115	222	732	1,030
Sausages:				
Except canned	170	167	1,037	1,150
Canned	119	85	772	794
Other canned meats	605	516	4,534	4,728
Meat specialities:				
Frozen	157	117	715	1,181
Canned	128	131	1,000	1,071
Total red meats	5,711	6,128	61,246	52,283
Variety meats	17,816	15,912	123,292	108,959
Sausage casings:				
Hog	361	538	3,843	3,851
Other natural	422	589	2,587	3,033
Mohair	1,193	1,472	4,716	5,677
	1,000	*1,000*	*1,000*	*1,000*
Hides and skins:	*pieces*	*pieces*	*pieces*	*pieces*
Cattle	1,147	971	7,889	8,019
Calf	134	141	1,105	1,265
Kip	52	55	248	338
Sheep and lamb	178	216	1,638	1,435
Horse	3	8	24	39
Goat and kid	23	52	192	250
	Number	*Number*	*Number*	*Number*
Live cattle	12,091	1,632	36,382	16,638

Bureau of the Census.

U. K. Lard Imports Off 15 Percent

Imports of lard into the United Kingdom during the first 7 months of 1966 were 15 percent below the same period a year ago.

Although the U. S. share of the market—about 28 percent—continued considerably below last year's 62-percent level, there was some recovery from the earlier months of this year.

Relatively reduced supplies and higher prices of U. S. lard in the current year have caused U.K. buyers to turn to European suppliers in an effort to satisfy their require-

ments. Furthermore, lard has been replaced to a large extent by substitutes in the manufacture of margarine in the United Kingdom this year. Fish oil and edible palm oil have been more competitively priced.

U.K. LARD IMPORTS

Country of origin	January-July 1965 Quantity	1965 Percent of total	1966 Quantity	1966 Percent of total
	1,000 pounds	*Percent*	*1,000 pounds*	*Percent*
United States	179,731	61.5	68,824	27.7
Belgium	58,594	20.1	62,007	25.0
Poland	1,480	.5	21,228	8.5
Romania	56	....	18,720	7.5
Denmark	14,219	4.9	16,509	6.7
Italy	9,783	3.4	14,600	5.9
France	12,970	4.4	13,116	5.3
Netherlands	6,441	2.2	12,054	4.9
Germany, West	2,752	1.0	6,685	2.7
Switzerland	587	.2	3,964	1.6
Sweden	4,144	1.4	3,492	1.4
Bulgaria	...	...	3,419	1.4
Canada	448	.1	1,525	.6
Others	982	.3	1,915	.8
Total	292,187	100.0	248,058	100.0

Henry A. Lane & Co., Ltd., London.

El Salvador Anticipates Record Grain Crops

The 1966-67 corn harvest now underway in El Salvador will be a record, with output estimated at 276,000 metric tons. Acreage was up, largely owing to the shift away from cotton into corn, and yields were higher as a result of excellent weather, increased use of fertilizer, and improved seed. With production about one-third higher than a year earlier, prices have declined. The average wholesale price in August was about $1.77 per bushel, compared with about $2.65 per bushel a year ago. However, prices have been more stable in 1966 to date than in 1965 and did not experience the sharp rise prior to harvest which often occurs.

The big crop is supplemented by a bumper harvest in Honduras—estimated locally at 368,000 tons—which moves freely into El Salvador under the Central American Common Market agreement. Representatives of the grain regulating agencies of the two countries met recently and agreed to help support the market by buying and storing 14,000 tons each during September-November. After that they will continue to support the market as much as is needed to carry out their regulating functions. It was also agreed that they would approach the Central American Bank for Regional Integration for grain storage loans.

The Salvadoran National Supply Institute is limited in its price support activities by the lack of storage and of funds. Many of its storage facilities are reportedly filled with old crop corn which it hopes to export to Costa Rica and Nicaragua. The Institute is already obligated to buy from Rural Credit Administration borrowers 17,000 to 18,000 tons of new-crop corn at $1.99 per bushel.

The first estimate of sorghum production in 1966-67 is 110,400 metric tons, up about 5,000 tons from the previous season. The rough rice crop is forecast at 39,000 metric tons in 1966-67, compared with 33,000 tons in 1965-66.

With bumper grain crops in prospect, El Salvador's requirement for grain imports (excluding wheat) in 1966-67 will be considerably reduced. Corn will very likely continue to come in from Honduras, however.

Grain Stocks in Exporting Countries Decline

Total grain stocks in the United States, Canada, Argentina, and Australia as of July 1 declined 14 percent from the level of a year earlier. Wheat stocks fell 31 percent, but rye, barley, and oats stocks each showed gains of 6 percent, and corn stocks declined less than 1 percent.

A detailed table and analysis were published in the September issue of *World Agricultural Production and Trade: Statistical Report.*

Finland To Import Wheat, Export Feedgrains

In Finland, as previously reported, the conditions for wintering of fall sown cereals were highly unfavorable in most parts of the country in 1965-66. On many farms as much as 20-30 percent of the fields seeded with winter wheat and rye had to be plowed up and reseeded to spring cereals. The accompanying table shows that the acreage devoted to this crop declined by 67,000 acres, a drop of 17 percent compared with the previous year.

Since, in addition, the acreage of spring wheat diminished by 120,000 acres or 22 percent, the total bread grain crop will be well below that of 1965. According to the preliminary forecast of the Finnish Board of Agriculture, the total bread grain crop will amount to about 550,000 metric tons in 1966, a decline of about 140,000 tons from last year.

The acreage taken out of bread grains was devoted almost exclusively to feedgrains, particularly barley. Since the average yield of barley will also be higher than in the previous year, the total crop of feedgrains will rise by an estimated 160,000 tons and reach a new record for this decade.

As in previous years, Finnish imports of grain are almost exclusively limited to wheat from Canada and the United States. Wheat imports in 1965 were just over 30,000 tons, comprising 20,000 tons from the United States and 10,000 tons from Canada. According to the State Grain Storage Board, 20,000 to 30,000 tons more will be imported in 1966 than in the previous year.

No rye has been imported into Finland in the current year, but there is a possibility of imports of up to 40,000 tons later in the year to be used for improving the quality of domestic rye meal.

FINLAND'S GRAIN ACREAGE AND PRODUCTION

	Area 1965	Area 1966	Production 1965	Production 1966
	1,000 Acres	*1,000 Acres*	*1,000 Metric tons*	*1,000 Metric tons*
Winter Wheat	125	102	122.7	66.0
Spring Wheat	525	414	378.0	340.0
Total wheat	660	516	500.7	406.0
Rye	273	230	189.7	143.0
Oats	1,166	1,183	1,020.7	1,050.0
Barley	623	794	501.6	627.0

As shown in the table, the domestic crop of oats and barley will reach a record in the current year. During the present plentiful supply situation, any increase in feedgrain output will create further need for export. By July of this

year, 25,000 tons of barley and oats had been exported to Poland, the Netherlands, and the United Kingdom. In addition, a license has been issued for the export of 15,000 tons of oats to Italy.

Overproduction of eggs and milk products is now reflected in a restrictive import policy affecting feedgrains. According to a decision of the Ministry of Agriculture, no corn for feed will be imported into Finland during the coming winter.

Tanzania and Kenya Have Record Cashew Crops

The 1966 commercial cashew crops in Tanzania and Kenya are expected to reach 80,000 and 10,000 short tons (raw nut basis), respectively, the largest crop either nation has produced. It comes at a time when cashews are in short supply on the world market because of below average crops in Mozambique and India. Both countries are experiencing a fairly rapid production increase in recent years. Tanzania's 1960-64 average crops was only 54,000 tons, and Kenya's was 6,000. Both also had record crops last year.

COMMERCIAL CASHEW PRODUCTION IN SELECTED COUNTRIES

Country	Average 1960-64	1963	1964	1965	Prelim. 1966
	1,000 short tons	*1,000 short tons*	*1,000 short tons*	*1,000 short tons*	*1,000 short tons*
Tanzania	54	49	64	73	80
Kenya	6	7	6	9	10
Mozambique	120	150	165	132	100
India	81	84	95	90	80
Total	261	290	330	304	270

As a result of the rising production, both countries are exporting increasing quantities of raw nuts, mostly to India, for processing. During 1965 these shipments from Kenya and Tanzania totaled 7,433 and 71,268 short tons respectively, against 5,218 and 62,481 in 1964.

The recent development of a mechanized shelling plant in Tanzania has not had any appreciable effect on the level of exports of cashew kernels yet, as these totaled only 52 tons in 1965. However, there should be a marked increase in 1966 as the plant is reportedly operating at near capacity (about 2,500 tons of kernels per year).

Turkish Raisin Pack Smaller

The 1966 Turkish raisin pack is tentatively estimated at 83,000 short tons. This would be a near-average pack (1960-64 average, 82,200 tons), though considerably smaller than last year's record pack of 132,000 tons. Various Turkish sources range between 75,000 and 85,000 tons in their estimates of the 1966 pack. Some rains at raisin-drying time in the Izmir region have reportedly hurt the quality of the pack; the impact on the quantity is not yet clear.

Despite the near-average production, Turkey will have an above-average supply in the 1966-67 marketing season because of an exceptionally heavy carryin of 1965-crop raisins, believed to approximate 33,000 tons. Virtually all of this is held by the cooperative, Taris.

Exports in the 1965-66 season, just completed, are believed to have totaled 84,000 tons, substantially more than the 64,700 exported in 1964-65. Turkish traders believe they can move at least 75,000 tons, an above-average volume, into export in 1966-67.

According to preliminary figures, Turkey's 1965-66 raisin exports to the EEC countries were at least 13,000 tons higher than in the previous season; the biggest gains were in sales to the Netherlands and Germany. Aside from the EEC, the largest gains were scored in sales to the United Kingdom and East Germany. Expectations for larger sales to the East European countries did not materialize, for increases in sales to East Germany and Poland were offset by decreases in sales to the Soviet Union, Czechoslovakia, and Hungary.

Export prices for 1966-crop sultanas will be the same as those for the 1965 crop, as agreed in Melbourne, Australia, in June 1966. Also, per this agreement, old-crop sultanas will be priced $10 per metric ton ($9.07 per short ton) less than new-crop. Turkish traders, however, are not optimistic about moving much old-crop tonnage, even at the reduced price.

France's Prune Pack Reported Up

After 3 successive years of disappointing crops, the 1966 French dried prune pack may reach 14,500 tons, the largest in more than 35 years. The 1965 production estimate has been revised and is now 8,300 tons, the same as in 1964 and 1963. Production from young orchards is beginning to make itself felt.

FRANCE'S SUPPLY AND DISTRIBUTION OF DRIED PRUNES

Item	1964-65	1965-66	1966-67 [1]
	Short tons	*Short tons*	*Short tons*
SUPPLY			
Beginning stocks (Aug. 1)	1,300	300	1,300
Production	8,300	8,300	14,500
Imports	5,600	9,000	3,500
Total Supply	15,200	17,600	19,300
DISTRIBUTION			
Exports	500	300	2,000
Domestic disappearance	14,400	16,000	16,300
Ending stocks (July 31)	300	1,300	1,000
Total distribution	15,200	17,600	19,300

[1] Preliminary estimates for beginning stocks and production; forecasts for all other items.

Fruit size will be mainly small. The predominant sizes this season are reportedly 55-66 to 66-67 per ½ kilogram (1.1 lb.). Last season, sizes were fairly large for France, averaging 44-66.

French imports will be down and exports up in 1966-67. Imports will again be mainly from California because of the need for larger sizes, particularly 22-33 and 33-34. The increase in exports will be mainly to EEC countries. The 1965-66 season featured exceptionally heavy imports and lower than usual exports. The import total of 8,984 tons was the largest since 1940, and the U.S. share, 8,807 tons, the largest since 1939.

Imports from Yugoslavia were again negligible. Yugoslavia exports substantial tonnages of dried prunes, but is unable to supply the large sizes France needs. In fact, France may encounter severe competition from Yugoslavia this season as both attempt to export small sizes. The preferential tariff structure of the EEC may, however, enable France to find a sheltered market there for a couple of thousand tons of prunes this season. French prices are not yet available.

FRANCE'S IMPORTS AND EXPORTS OF DRIED PRUNES

Country	Year beginning August 1 1964-65	1965-66
	Short tons	*Short tons*
Imports:		
United States	5,423	8,807
Yugoslavia	179	126
Portugal	40	30
Others	5	21
Total	5,647	8,984
Exports:		
Algeria	170	130
Martinique	43	42
Guadeloupe	31	23
Netherlands	156	
Belgium	97	
Others	51	88
Total	548	283

France continues to impose an import quota on U.S. processed prunes, currently 1,000 metric tons annually. Importation of natural-condition prunes, however, is not limited.

As new plantings continue to come into bearing, potential French production continues to rise. Thus, barring unfavorable weather, the 1967 French pack could exceed 17,000 tons, which would mean a further reduction of imports and expansion of exports.

Turkish Fig Paste Sales

Turkish packers are hopeful of exporting larger quantities of fig paste this season, the result of a large 1966 dried fig crop—tentatively estimated at 65,000 short tons (1960-64 average, 49,000 tons)—and the Turkish Government's removal of the minimum export price.

Turkey exported only about 4,400 tons of fig paste in 1965-66; 948 were sold to the United States. This was substantially below the 1959-64 level when Turkish exports averaged 9,174 tons annually, 5,858 to the United States. U. S. Food and Drug rejections and, secondarily, high minimum export prices have adversely affected Turkish fig paste exports in recent years.

Turkish exporters are currently indicating that they may ship about 4,000 tons to the United States this season, implying a total export of possibly 7,500 to 8,500 tons. One sale of 550 tons is said to have already been made. Exporters are reportedly quoting fig paste at 12 cents per pound, c.i.f. New York, including 5 percent commission; the minimum export price the last two seasons was 15 cents.

The Turkish Government has set minimum producer prices for dried figs this season too. However, they are lower than last season. Furthermore, packers are reportedly able to buy dried figs at less than the set minimum prices.

Portugal's Commercial Fig Crop Slightly Down

The 1966 dried fig pack in the Algarve Province of Portugal is tentatively estimated at 10,000 short tons, slightly less than the 10,300-ton estimate for 1965 and below the 1960-64 average of 10,700. Though dried figs are produced in various provinces of Portugal, only those from Algarve enter commercial channels for domestic consumption and export.

Portuguese exporters are not optimistic about maintaining the record 1965-66 export volume of 6,407 tons of fig paste. This is not due to any rise in Portuguese prices—actually prices paid to growers are no higher this year than last—but to the severe competition expected from Turkey's bumper crop and to a reported sharp reduction in the export price of Turkish paste.

PORTUGAL'S COMMERCIAL SUPPLY AND DISTRIBUTION OF DRIED FIGS

Item	Revised 1965-66	1966-67 [1]
	Short tons	*Short tons*
SUPPLY		
Beginning stocks (Sept. 1)	500	600
Production	10,300	10,000
Total supply	10,800	10,600
DISTRIBUTION		
Exports:		
Edible whole	1,300	1,200
Edible paste	6,400	6,000
Industrial	500	500
Total exports	8,200	7,700
Domestic disappearance:		
Edible whole	2,000	2,000
Industrial		400
Total disappearance	2,000	2,400
Ending stocks (Aug. 31)	600	500
Total distribution	10,800	10,600

[1] Supply figures are preliminary estimates; distribution figures, forecasts.

U. K. Imports of Butter and Cheese Higher

During the first 6 months of 1966, butter imports into the United Kingdom totaled 535 million pounds. This represented an increase of 4 percent over the comparable period of 1965, despite sharply reduced receipts from Oceania. Shipments from New Zealand were down 3 percent to 201 million pounds, and those from Australia were down 7 percent to 93 million pounds, partly because of the seamen's strike late in this period.

Imports from Western European suppliers increased. These included Denmark, the United Kingdom's principal source in that area—up 7 percent to 112 million pounds; the Netherlands, up 41 percent to 26 million; Ireland, up 38 percent to 24 million; and Finland, up 12 percent to 19 million.

There was also heavier trading with Eastern European suppliers, particularly with Poland and Romania.

Cheese imports in the first half of 1966—157 million pounds—were down 12 percent from comparable 1965. Shipments from New Zealand declined 26 percent to 78 million pounds; those from Australia declined 38 percent to 12 million pounds. The remainder came almost entirely from Western Europe, of which EEC countries shipped 27 million pounds—7 million more than last year.

Milk Production Expanding in France

Milk production in France continued to rise in the first half of 1966; at 28 billion pounds, it was 4 percent above a year earlier. Production is expected to maintain this upward trend, at least through the autumn, as the weather has been favorable for pasture growth this summer. However, heavy rains have affected haymaking in most dairy sectors, so that winter feeding of stock may be difficult. Output of most dairy products probably will expand. With butter production increasing, it is anticipated that surplus butter stocks, already high, will continue to build.

Argentine Cotton Crop Revised Upward

It is now apparent that the 1965-66 cotton crop in Argentina was smaller than the 1964-65 outturn of 625,000 bales from 1,300,000 acres. Extensive flooding in 1965-66 caused abandonment of about 250,000 acres. The crop is now placed at 480,000 bales from a harvested area of 1,070,000 acres. However, the abnormal rains which caused the floods in low-lying areas also brought adequate soil moisture to the Chaco, which is often short of moisture. Yields were somewhat above the average for many recent years, but quality of the crop was reduced sharply by rain damage at harvest time.

Indications are that planted area in 1966-67 will be reduced somewhat from last season's level. Reasons for this include large unsold stocks from the 1965-66 crop and high costs of production in relation to prices. Currently, prices paid for cotton for domestic use are well above international parities, thus creating a situation which makes cotton export difficult. Stocks on hand on August 1 were around 580,000 bales.

Exports of raw cotton in 1965-66 were about 34,000 bales. Problems of low quality and non-competitive prices were largely responsible for the low volume of exports. In an effort to increase export sales, the Argentine Government made effective in August 1965 a 12-percent rebate of taxes for exports of specified lower grades. Argentine authorities are hopeful that the tax rebate, in conjunction with two devaluations of the peso in recent months, will again place Argentina in the export business.

Argentina imports only long staple cotton, mostly from Peru. Imports in 1965-66 amounted to 71,000 bales, down slightly from the 73,000 imported in 1964-65.

Cotton consumption in 1965-66 was 520,000 bales, 2 percent above a year earlier.

Israel Harvests Record Cotton Crop

Cotton production in Israel has increased steadily since the first commercial crop in 1954-55. The 1966-67 (August-July) crop is currently placed at 115,000 bales (480 lb. net)—up 15 percent from the 100,000 bales produced in 1965-66 and about double the average annual production of 65,000 bales during the 1960-64 period. Nearly all of Israel's cotton is American Upland type, irrigated and machine harvested. National average yield for cotton in Israel is the highest in the world. Cotton yields on the 53,000 acres devoted to the current crop were about 1,042 pounds of lint per acre.

Cotton consumption in Israel reached a record 115,000 bales during the 1965-66 season compared with 110,000 in 1964-65. The increase is largely attributed to larger domestic and export demand for cotton products but also in part to a slight buildup in yarn stocks. Consumption in 1966-67 may decline slightly to work these stocks down.

Imports of 44,000 bales in 1965-66 were 17 percent below 1964-65 imports of 53,000. The United States supplied 14,000 bales out of the total with most of the remainder coming from the United Kingdom, Turkey, Switzerland, Mexico, and Uganda.

Israel exported 25,000 bales of cotton in 1965-66, about double the 13,000 shipped in 1964-65. Most of Israel's cotton exports are lower grades. Most of the cotton shipped in 1965-66 went to Belgium, Poland, the United Kingdom, and Yugoslavia. Stocks on August 1, 1966, were estimated at about 25,000 bales.

Greece Exports More Tobacco

Exports of Greek tobacco in the first half of 1966 totaled 87 million pounds—up about 15 percent from those of January-June 1965. Larger exports this year to the United States, the Soviet Union, and Poland more than offset drops in shipments to Italy, France, and East Germany.

Total shipments of Greek leaf to the six members of the European Common Market, at 26.7 million pounds, were up 50 percent from last year, largely because of the stepped-up West German purchases.

GREEK TOBACCO EXPORTS

Country	January-June	
	1965	1966
	1,000 pounds	*1,000 pounds*
United States	22,414	24,612
Germany, West	10,278	19,826
Soviet Union	6,949	10,260
Poland	6,521	7,626
UAR (Egypt)	4,581	4,330
Germany, East	5,862	4,109
Italy	5,448	3,781
Czechoslovakia	2,099	2,302
Hungary	1,530	1,700
Others	10,252	8,404
Total	75,934	86,950

Tobacco Intelligence, London.

Exports to the United States at 24.6 million were 10 percent larger than the 22.4 million for January-June 1965. Those to West Germany, totaling 19.8 million, were nearly double the 10.3 million for the first half of last year.

Belgium's Cigarette Output Up

Cigarette output in Belgium during the first half of 1966 totaled 7,769 million pieces—up 4.3 percent from the 7,452 million produced in the same period last year. Cigars rose 32.6 percent to 265 million pieces from 200 million, while cigarillos dropped to 517 million from 551 million for the January-June 1965 period. Also, the combined production of all the other products, at 7.7 million pounds, was down 3.8 percent from the 8.0 million pounds produced last year.

Manufacturers' usings of leaf tobacco during January-June 1966 totaled 36.5 million pounds, compared with 35.6 million for the same period last year. Imported leaf accounted for 93.0 percent of total usings, compared with 92.6 percent last year. Leaf used in the production of cigarettes represented slightly over 57 percent, that used in smoking mixtures about 23 percent, and in cigars and cigarillos about 10 percent each.

Correction: *Foreign Agriculture*, September 19, 1966, page 10, "Japan Ups Its Use of U.S. Dehydrated Alfalfa." Figures given as Japanese imports of U.S. dehydrated alfalfa in 1964 and 1965 actually represent combined imports of dehydrated and sun-cured alfalfas. According to the American Dehydrators Association, Japan imported about 101,000 metric tons of U.S. dehy in 1964 and about 127,000 tons in 1965; the remainder was sun-cured alfalfa.

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Highlights of the Agriculture and Trade of Colombia

Resources:—With an area of 440,000 square miles, Colombia is almost twice the size of Texas. Population, growing at an annual rate of nearly 3 percent, reached 18.0 million in mid-1965. Per capita gross national product (constant 1958 prices), estimated at $230 (1958 prices) in 1965, is one of the lowest in Latin America. Agriculture provides nearly one-third of total GNP and employs one-half of the active labor force.

Agriculture:—Expansion in agriculture has barely kept pace with population growth in recent years. Total output for 1965 was an estimated 22 percent above the 1957-59 average, according to the USDA index. Agriculture is concentrated in the Andean region which covers the western half of Colombia. An estimated 4 percent of total area was under cultivation in 1961, with another 13 percent in grazing land. Coffee constituted one-third of the value of agricultural products in 1965. Other important crops—including sugarcane, rice, corn, bananas, and cotton—provided another 42 percent. Dairying made up 57 percent of the total livestock output and beef 38 percent.

Food Situation:—Average daily caloric intake has been estimated at 2,280 for 1959-61, compared with an average of 2,340 for 1956-58. Protein intake was estimated at 1.9 ounces per day and fats at 1.4 ounces. Cereals, sugar, and starchy crops accounted for 70 percent of the daily caloric intake compared with 16 percent for animal products. However, a slight rise in per capita availability of beef and dairy products has been apparent in recent years.

Foreign Trade:—Coffee accounted for 64 percent and agricultural products for 77 percent of total exports, valued at $539 million in 1965. Other important exports are petroleum, sugar, and bananas. Total Colombian imports were valued at $454 million, of which agricultural products were 10 percent. Wheat and other cereal preparations are roughly one-fourth of all agricultural imports, but wool, copra, cocoa beans, fats, and oils also are of major importance. The United States accounts for about one-half of Colombia's total exports and imports. The European nations, particularly West Germany, are also important.

Agricultural Trade with the United States:—The United States takes about one-half of Colombia's agricultural exports and supplies approximately 60 percent of its agricultural imports. During 1965, the United States imported coffee, sugar, tobacco, and other Colombian agricultural products valued at $208.3 million. It was the largest Colombian supplier of wheat, tallow, powdered milk, and vegetable oils. Exports of these and other U. S. agricultural products to Colombia totaled $29.6 million, of which $18.3 million were shipments under Public Law 480.

Factors Affecting Agricultural Trade:—Exports of coffee are limited to quotas established under the International Coffee Agreement and fixed at 340,000 metric tons for 1965-66. To encourage exports of other agricultural commodities, the Bank of the Republic establishes favorable rates for purchasing foreign currency—currently equivalent to 13.50 pesos per U. S. dollar compared with 8.94 pesos per dollar for coffee.

Agricultural imports are restricted and often prohibited by high duties and licensing requirements. Prior deposits, ranging upward to 170 percent of import value, must also be paid to obtain licenses—except for imports from members of the Latin American Free Trade Association (LAFTA). The National Institute of Supplies controls imports of many agricultural commodities considered essential for domestic supply, including wheat and wheat products, barley, and malt.

Colombia is a member of the Latin American Free Trade Association. Other members of LAFTA are granted special tariff concessions in the Colombian market for agricultural products including wheat, tallow, and edible vegetable oils.

—GAE A. BENNETT
Foreign Regional Analysis Division, ERS

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